

Ref: SR/YYT(LRDII)/LD06/04

9 February 2004

**The Company Secretary  
(Listed Issuers)**

Dear Sir/Madam

**REQUIREMENTS RELATING TO BONUS ISSUES AND SHARE SCHEMES FOR EMPLOYEES ("ESOS")**

Pursuant to section 9 of the Securities Industry Act, 1983, amendments have been made to the Listing Requirements of the Malaysia Securities Exchange Bhd ("MSEB") in relation to bonus issues and ESOS ("the Amendments to the LR"). The Amendments to the LR are attached herewith as **Appendix 1**.

The Amendments to the LR were undertaken in consequence of recent amendments to Schedule 1 of the Securities Commission Act ("SCA Amendments") exempting public companies undertaking bonus issues and ESOS from procuring the approval of the Securities Commission. The SCA Amendments took effect from 5 January 2004.

With the Amendments to the LR, public companies seeking a listing on MSEB and public listed companies on the MSEB (collectively referred to as "companies") which undertake to issue and list securities arising from bonus issues and/or ESOS on the MSEB are only required to apply to the MSEB in relation to the listing of securities arising from such bonus issues and/or ESOS. Listing applications in relation to bonus issues and/or ESOS made to the MSEB must comply with the requirements in relation to bonus issues and ESOS as prescribed under the LR.

**KEY CHANGES**

The key changes effected by the Amendments to the LR are as follows:-

- (1) Prescribing the criteria and procedures involved in relation to an initial listing application involving a bonus issue and/or an ESOS.
- (2) Prescribing the processing fees payable in respect of a listing application in relation to a bonus issue and an ESOS.

**REQUIREMENTS RELATING TO BONUS ISSUES AND SHARE SCHEMES FOR EMPLOYEES**

---

Bonus Issue

- (3) Setting out the additional requirements and procedures for issuance and listing of bonus issue shares which are not from retained profits and a bonus issue which is to be implemented on a staggered basis.
- (4) Prescribing the additional requirement to procure confirmation from the Securities Commission that the revaluation of land and buildings complies with the Securities Commission's Guidelines on Asset Valuation where the bonus issue is to be made by way of capitalisation of reserves arising from revaluation of land and buildings and the fee payable in relation thereto.
- (5) Enhancing the minimum contents of disclosure in announcements and circulars relation to a bonus issue.

ESOS

- (6) Prescribing the requirements and/or procedures involved in relation to the establishment, implementation and termination of an ESOS including a requirement that the total number of shares to be issued under an ESOS does not exceed 15% of its issued and paid-up capital at any one time.
- (7) Setting out the requirement in relation to participation of non-executive directors in an ESOS.
- (8) Enhancing the minimum contents of disclosure in announcements and circulars in relation to an ESOS.

**Implementation**

The Amendments to the LR take effect from **10 February 2004**. Therefore, with effect from 10 February 2004, companies which intend to issue and list securities arising from bonus issues and/or ESOS on MSEB are only required to apply to MSEB in relation to the listing of such securities.

**Additional information**

A copy of Questions and Answers pertaining to the above is attached as **Appendix 2**, to facilitate compliance by companies. Please take note that the Amendments to the LR and the Questions and Answers are available for reference on the web site of the MSEB at <http://www.klse.com.my>.

For further information or any enquiries on the Amendments, kindly contact:-

Legal Advisory  
9<sup>th</sup> Floor, Malaysia Securities Exchange Bhd  
Exchange Square, Bukit Kewangan  
50200 Kuala Lumpur  
Telephone number: 03-2026 7099  
Facsimile:03-2732 0065

Ref: SR/YYT(LRDII)/LD06/04

**REQUIREMENTS RELATING TO BONUS ISSUES AND SHARE SCHEMES FOR EMPLOYEES**

---

**Contact Persons:**

Ms Emilia Tee (Ext 1016)  
Ms Yew Yee Tee (Ext 2338)  
Ms Tan Ai Chia (Ext 7089)  
Ms Anisah Suyuti Low (Ext 7970)  
Mr Wong Sow Wei (Ext 7092)

Thank you.

Yours faithfully



**SELVARANY RASIAH**  
**Head, Legal Advisory**  
**Group Regulations**  
Encl.

**AMENDMENTS TO THE LISTING REQUIREMENTS OF MALAYSIA SECURITIES EXCHANGE BHD  
IN RELATION TO BONUS ISSUES AND SHARE SCHEMES FOR EMPLOYEES**

| <b>Amended Provisions</b> |   | <b>Existing Provisions</b> |   |
|---------------------------|---|----------------------------|---|
| 1.01                      | <b>“share scheme for employees” means a share scheme involving a new issue of shares to employees.</b>  | 1.01                       | Nil.  |
|                           | <b>PART E – OTHER REQUIREMENTS</b>  |                            | <b>PART E – OTHER REQUIREMENTS</b>  |
| 3.07                      | Procedures relating to admission<br><br><b>Subject to paragraph 3.07A below</b> , the following procedures shall apply to the admission of an applicant to the Official List, with the necessary modifications, as may be applicable:-<br><br>(a) ó (k) [No change]   | 3.07                       | Procedures relating to admission<br><br>The following procedures shall apply to the admission of an applicant to the Official List, with the necessary modifications, as may be applicable:-<br><br>(a) ó (k) |
| 3.07A                     | <b>Procedures relating to admission of securities involving a bonus issue and/or share scheme for employees</b><br><br>The following procedures shall apply to the admission of an applicant to the Official List which involves the listing of securities from a bonus issue and/or a share scheme for employees, with the necessary modifications, as may be applicable:-<br><br>(a) Applicant submits a listing application to the Commission;<br>(b) Applicant files with the Exchange a listing application together with supporting documents (including, in relation to its articles of association, a letter of compliance accompanied by a checklist showing compliance) within 2 market days of the date of submission of its listing |                            | Nil   |

| Amended Provisions |  | Existing Provisions |   |
|--------------------|--|---------------------|---|
|                    | <p>application to the Commission or where the bonus issue involves a revaluation of land and buildings, within 2 market days of the date of receipt of a letter from the Commission confirming that the revaluation is in compliance with the Commission's Guidelines on Asset Valuation;</p> <p>(c) Commission approves the listing and the Exchange grants approval-in-principle for the admission of securities;</p> <p>(d) Applicant files the final copy of the prospectus with the relevant authorities;</p> <p>(e) Applicant:-</p> <p>(i) issues the prospectus or introductory document and the offer period opens, if the listing entails an offer of securities to the public;</p> <p>(ii) advertises the prospectus or introductory document; and</p> <p>(iii) provides the Exchange with such number of copies of the printed prospectus or introductory document as may be determined by the Exchange from time to time.</p> <p>(f) If the listing entails an offer of securities to the public, the applicant announces the level of subscription and the basis for allocation;</p> <p>(g) Applicant issues securities and notices of allotment;</p> <p>(h) Applicant files with the Exchange an application for quotation together with supporting documents;</p> <p>(i) Securities are admitted to the Official List and quoted on the Exchange 2 clear market days after receipt of the application for quotation together with the requisite documents and/or confirmations and the same have been found to be complete in all respects.</p> |                     |   |
| 3.08               | Listing application and application for quotation  | 3.08                | Listing application and application for quotation |

| Amended Provisions |  | Existing Provisions |   |
|--------------------|--|---------------------|---|
|                    | <p>(1) [No change]</p> <p><b>(1A) In the case of an admission of an applicant to the Official List which involves the listing of securities from a bonus issue and/or a share scheme for employees, the listing application referred to in sub-paragraph (1) above must also comply with paragraph 6.04.</b></p> <p>(2) [No change]</p>  |                     | <p>(1) ó (2) í í í .</p>  |
| 3.16               | <p>Fees</p> <p>(1) [No change]</p> <p>(2) An applicant must pay to the Exchange:-</p> <p>(a) <b>the processing fee for a listing application which involves a bonus issue and/or a share scheme for employees;</b></p> <p>(b) <b>the Commission's Valuation Review Fee where its listing application involves a bonus issue arising from a revaluation of land and buildings; and</b></p> <p>(c) an initial listing fee and annual listing fee <b>where</b> its listing application has been approved;</p> <p>of such amount <b>and in such manner</b> as is specified in the Schedule of Fees <b>and sub-paragraph (3) below respectively.</b></p> <p><b>(3)All payments must be made by cheques drawn to the order of the Malaysia Securities Exchange Berhad and in the case of the Commission's Valuation Review Fee, the Securities Commission.</b></p> | 3.16                | <p>Fees</p> <p>(1) An applicant must pay to the Exchange a perusal fee of such amount as may be determined by the Exchange from time to time.</p> <p>(2) An applicant whose listing application has been approved must pay to the Exchange an initial listing fee and annual listing fee of such amount as is specified in the Schedule of Fees.</p> <p>(3) All payments must be made by cheques drawn to the order of the Malaysia Securities Exchange Berhad.</p> |
| 3.17A              | <b>Additional Requirements for Bonus Issues</b>  |                     | <b>Nil</b>  |

| Amended Provisions |  | Existing Provisions |  |
|--------------------|--|---------------------|--|
|                    | <b>In addition to complying with the requirements of this Chapter, an applicant which intends to make a bonus issue of securities must comply with the requirements in Part G of Chapter 6, where applicable.</b>  |                     |  |
| 3.17B              | <p><b>Additional Requirements for Share Schemes for Employees</b></p> <p>(1) <b>In addition to complying with the requirements of this Chapter, an applicant which intends to implement a share scheme for employees must comply with the requirements in Part H of Chapter 6, where applicable.</b></p> <p>(2) <b>Where an applicant has implemented a share scheme for employees and such scheme has not expired or been terminated prior to listing, the scheme must comply with the requirements in Part H of Chapter 6, where applicable.</b></p> |                     | Nil  |
|                    | <p>Appendix 3A</p> <p>PART B</p> <p>Documents required to be filed with a listing application (paragraphs 3.08(1)(b), 4.12 and 4.17(1)(b))</p> <p>(1) An applicant must file the following documents in support of a listing application:-</p> <p>(a) [No change]</p> <p>(b) One copy of the prospectus registered with the relevant authorities or the introductory document <b>or where this is not available, one copy of the draft prospectus submitted to</b></p>   |                     | <p>Appendix 3A</p> <p>PART B</p> <p>Documents required to be filed with a listing application (paragraphs 3.08(1)(b), 4.12 and 4.17(1)(b))</p> <p>(1) An applicant must file the following documents in support of a listing application:-</p> <p>(a) í í í í í .</p> <p>(b) One copy of the prospectus registered with the relevant authorities or the introductory document.</p> |

| Amended Provisions |  | Existing Provisions |  |
|--------------------|--|---------------------|--|
|                    | <p><b>the relevant authorities or the draft introductory document.</b></p> <p>(c) ó (j) [ No change]</p> <p>(2) If any of the above documents are not filed because they are not applicable <b>or available</b> in any case, an applicant must submit a separate exhibit explaining why such documents are not applicable <b>or available</b>.</p>                       |                     | <p>(c) ó(j) í í í ..</p> <p>(2) If any of the above documents are not filed because they are not applicable in any case, an applicant must submit a separate exhibit explaining why such documents are not applicable.</p>   |
|                    | <p>Appendix 3A</p> <p>PART C</p> <p>Documents to be filed with an application for quotation (paragraphs 3.08(2) and 4.17(2))</p> <p>An applicant must file the following documents in support of an application for quotation:-</p> <p>(a) ó (h) [ No change]</p> <p><b>(i) Such applicable documents set out in Part B of Appendix 3A which were not submitted.</b></p> |                     | <p>Appendix 3A</p> <p>PART C</p> <p>Documents to be filed with an application for quotation (paragraphs 3.08(2) and 4.17(2))</p> <p>An applicant must file the following documents in support of an application for quotation:-</p> <p>(a) ó (h) í í í í ..</p> <p><b>Nil.</b></p> |

| Amended Provisions |   | Existing Provisions |   |
|--------------------|---|---------------------|---|
| 6.01               | <p>Introduction</p> <p>(1) This Chapter sets out the requirements that must be complied</p> | 6.01                | <p>Introduction</p> <p>(1) This Chapter sets out the requirements that must be complied</p> |



| Amended Provisions |   | Existing Provisions |   |
|--------------------|---|---------------------|---|
|                    | <p>with by <b>an applicant or</b> a listed issuer, <b>as the case may be</b>, for any new issue of securities.</p> <p>(2) Additional requirements relating to issuance of securities pursuant to acquisitions are set out in Chapter 10.</p> <p>(3) <b>For the purpose of Parts G and H of this Chapter, unless the context otherwise requires, a "listed issuer" shall include an "applicant".</b></p>   |                     | <p>with by a listed issuer for any new issue of securities.</p> <p>(2) Additional requirements relating to issuance of securities pursuant to acquisitions are set out in Chapter 10.</p>                   |
| 6.15               | <p>Fees</p> <p>A listed issuer must pay to the Exchange:-</p> <p>(a) <b>the processing fee for a listing application which involves a bonus issue and/or a share scheme for employees;</b></p> <p>(b) <b>the Commission's Valuation Review Fee where its listing application involves a bonus issue arising from a revaluation of land and buildings; and</b></p> <p>(c) a listing fee <b>where</b> its listing application for a new issue of securities has been approved;</p> <p>of such amount <b>and in such manner</b> as is specified in the Schedule of Fees <b>and sub-paragraph 3.16(3) respectively.</b></p> | 6.15                | <p>Fees</p> <p>A listed issuer whose listing application for a new issue of securities has been approved must pay to the Exchange a listing fee of such amount as is specified in the Schedule of Fees.</p> |
|                    | <b>PART G – REQUIREMENTS RELATING TO A BONUS ISSUE</b>  |                     | <b>PART G – REQUIREMENTS RELATING TO A BONUS ISSUE</b>  |
| 6.26A              | <p><b>Bonus Issue From Reserves</b></p> <p>(1) <b>Where a listed issuer intends to make a bonus issue of securities which is not from its retained profits, the following requirements must be complied with:-</b></p>  |                     | Nil   |

| Amended Provisions |  | Existing Provisions |      |
|--------------------|--|---------------------|------|
|                    | <p>(a) The listed issuer must have the necessary reserves for capitalisation to be made for the bonus issue;</p> <p>(b) Where the bonus issue is to be made by way of the capitalisation of reserves arising from revaluation of assets:-</p> <p>(i) only the surplus arising from revaluation of investments in subsidiaries or associated companies or land and buildings may be capitalised for the purpose of the bonus issue; and</p> <p>(ii) where the surplus arising from revaluation of land and buildings is to be capitalised for the purpose of the bonus issue, at least 20% of the valuation amount of the revalued land and buildings which complies with subparagraphs 6.26B(1)(a) and (3), where applicable is to be retained in the revaluation reserves after the capitalisation for the bonus issue.</p> <p>(2) The available reserves for capitalisation must be confirmed by the reporting accountants or external auditors of the listed issuer, as the case may be, if the available reserves are not based on the latest audited accounts of the listed issuer.</p> |                     |      |
| 6.26B              | <p><b>Revaluation of land and buildings</b></p> <p>(1) A listed issuer must ensure that:-</p> <p>(a) The revaluation of land and buildings referred to in paragraph 6.26A and the valuation report in respect</p>  |                     | Nil. |

| Amended Provisions   | Existing Provisions |
|--|---------------------|
| <p>of the revaluation must comply with the Commission's Guidelines on Asset Valuation which are in force from time to time; and</p> <p>(b) It complies with all instructions, directives or conditions issued or imposed by the Commission in respect of the revaluation including any instruction to obtain a second opinion on the revaluation from a valuer appointed by the Commission at the expense of the listed issuer (referred to in this Chapter as "Second Opinion Valuation" and "the Second Opinion Valuer" respectively).</p> <p>(2) The listed issuer must submit simultaneously:-</p> <p>(a) 2 copies each of the valuation report in respect of the revaluation to the Commission and the Exchange respectively; and</p> <p>(b) A cheque drawn to the order of the Securities Commission for the Commission's Valuation Review Fee to the Exchange (see the Schedule of Fees for the computation of the amount);<br/>via a merchant bank or a Participating Organisation that may act as a principal adviser under the Commission's Policies and Guidelines on Issue/Offer of Securities (referred to in this Part as "the listed issuer's Adviser") except in the case of a Second Opinion Valuation which must be submitted by the Second Opinion Valuer.</p> <p>(3) Where a Second Opinion Valuation is obtained pursuant to sub-paragraph (1)(b), the listed issuer must adopt the lower of the 2 revaluation figures in complying with the provisions in this Part.</p> <p>(4) For the purpose of this Part, revaluation of land and buildings includes revaluation of an investment in a</p> |                     |

| Amended Provisions |   | Existing Provisions |  |
|--------------------|---|---------------------|--|
|                    | <p>subsidiary or associated company by reason of the revaluation of land and buildings held by such subsidiary or associated company.</p>   |                     |  |
| 6.26C              | <p><b>Staggered implementation of a bonus issue</b></p> <p>(1) A listed issuer may implement a bonus issue in stages over a period of time.</p> <p>(2) A listed issuer must ensure that the first announcement on the bonus issue includes the information set out in Part A of Appendix 6B, where applicable.</p> <p>(3) Subsequent announcements must be made before each books closing date pursuant to sub-paragraph 9.19(1) which shall include a statement that the listed issuer has adequate reserves to implement the bonus issue.</p> |                     | Nil  |
| 6.26D              | <p><b>Listing application for a bonus issue</b></p> <p>A listed issuer must ensure that the listing application for a bonus issue referred to in paragraph 6.04 is submitted:-</p> <p>(a) by the listed issuer's Adviser; and</p> <p>(b) within 2 market days of the date of receipt of a letter from the Commission confirming that the revaluation is in compliance with the Commission's Guidelines on Asset Valuation, where applicable.</p>  |                     | Nil  |
| 6.27               | Fixing of books closing date for a bonus issue  | 6.27                | Fixing of books closing date for a bonus issue |

| Amended Provisions |  | Existing Provisions |   |
|--------------------|--|---------------------|---|
|                    | <p>A listed issuer must not fix a books closing date to determine persons entitled to participate in a bonus issue until:-</p> <p>(a) <b>the approval-in-principle of the Exchange for the listing of the bonus issue has been obtained;</b> and</p> <p>(b) the approval of the shareholders in general meeting in respect of the bonus issue has been obtained.</p>   |                     | <p>A listed issuer must not fix a books closing date to determine persons entitled to participate in a bonus issue until:-</p> <p>(a) the issue and the listing thereof have been approved by the Commission; and</p> <p>(b) the approval of the shareholders in general meeting in respect of the bonus issue has been obtained.</p> |
|                    | <b>PART H – REQUIREMENTS RELATING TO A SHARE SCHEME FOR EMPLOYEES</b>  |                     | <b>PART H - REQUIREMENTS RELATING TO A SHARE SCHEME FOR EMPLOYEES</b>   |
| 6.30               | <p>Additional Requirements</p> <p>A listed issuer which intends to issue <b>shares</b> pursuant to a share scheme for employees must comply with the provisions in this Part, in addition to those set out in Parts C, D and E of this Chapter, where applicable.</p>  | 6.30                | <p>Additional Requirements</p> <p>A listed issuer which intends to issue securities pursuant to a share scheme for employees must comply with the provisions in this Part, in addition to those set out in Parts C, D and E of this Chapter, where applicable.</p>  |
| 6.30A              | <p><b>Eligibility and allocation</b></p> <p>(1) <b>Subject to the provisions set out in sub-paragraphs (2) and (3) below and paragraph 6.31, the board of directors of the listed issuer may determine the eligibility and allocation criteria under a share scheme for employees.</b></p> <p>(2) <b>The listed issuer must ensure that participation in the scheme is restricted to directors and employees of the listed issuer's group.</b></p> <p>(3) <b>The listed issuer must also ensure that:-</b></p> <p>(a) <b>the aggregate allocation to directors and senior management must not exceed 50% of the total number of shares to be issued under the scheme; and</b></p> <p>(b) <b>the allocation to a director or employee who, either singly or collectively through persons connected with</b></p> |                     | <b>Nil</b>  |

| Amended Provisions |  | Existing Provisions |     |
|--------------------|--|---------------------|-----|
|                    | <p>the director or employee, holds 20% or more of the issued and paid-up capital of the listed issuer, must not exceed 10% of the total number of shares to be issued under the scheme.</p> <p>(4) For the purpose of sub-paragraphs (2) and (3) above, unless the context otherwise requires:-</p> <p>(a) "group" means the listed issuer and its subsidiaries which are not dormant; and</p> <p>(b) "persons connected with an employee" shall have the meaning given in relation to persons connected with a director or major shareholder as defined in paragraph 1.01.</p>  |                     |     |
| 6.30B              | <p><b>Number of shares</b></p> <p>(1) The listed issuer must ensure that the total number of shares to be issued under a share scheme for employees does not exceed 15% of its issued and paid-up capital at any one time.</p> <p>(2) For the purpose of sub-paragraph (1) above, where a listed issuer purchases its own shares or undertakes any other corporate proposal resulting in the total number of shares to be issued under the scheme exceeding 15% of its issued and paid-up capital, no further options shall be offered until the total number of shares to be issued under the scheme falls below 15% of its issued and paid-up capital.</p> |                     | Nil |
| 6.30C              | <p><b>Pricing</b></p> <p>The price payable for the shares under a share scheme for employees shall be:-</p>  |                     | Nil |

| Amended Provisions |   | Existing Provisions |   |
|--------------------|---|---------------------|---|
|                    | <p>(a) for an applicant implementing the scheme as part of its listing proposal, not less than the initial public offer price; or</p> <p>(b) for a listed issuer, based on the 5 day weighted average market price of the underlying shares at the time the option is offered, with a discount that does not exceed 10%.</p>  |                     |   |
| 6.30D              | <p><b>Duration</b></p> <p><b>A listed issuer must ensure that a share scheme for employees shall be for a duration of not more than 10 years.</b></p>   |                     | Nil   |
| 6.30E              | <p><b>Adjustments</b></p> <p><b>A listed issuer must comply with the following as regards adjustments of price or number of shares to be issued under a share scheme for employees:-</b></p> <p>(a) A scheme may provide for adjustment of the subscription or option price or the number of <b>shares</b> (excluding options already <b>exercised</b>) under the scheme, in the event of a rights issue, bonus issue, consolidation <b>or subdivision</b> of shares or capital reduction;</p> <p>(b) Such adjustments should <b>ensure that the capital outlay to be incurred by a participant in exercising his options remains unaffected;</b></p> <p>(c) The issue of securities as consideration for an acquisition, pursuant to a special issue or private placement <b>shall not</b> be regarded as a circumstance requiring such adjustments;</p> | 6.31                | <p>(d) a scheme may provide for adjustment of the subscription or option price or the number of securities (excluding options already granted) under the scheme, in the event of a rights issue, bonus issue, or other capitalisation issues, consolidation of shares or capital reduction. Such adjustments should give a participant the same proportion of the capital to which he was previously entitled;</p> <p>(e) the issue of securities as consideration for an acquisition, pursuant to a special issue or private placement, will not be regarded as a circumstance requiring such adjustment;</p> <p>(f) adjustments other than on a capitalisation issue must be confirmed in writing by the auditors of the listed issuer to be in their opinion, fair and reasonable;</p> |

| Amended Provisions |  | Existing Provisions |  |
|--------------------|--|---------------------|--|
|                    | <p>and</p> <p>(d) Adjustments other than on a <b>bonus issue</b> must be confirmed in writing by the external auditors of the listed issuer.</p>   |                     |  |
| 6.30F              | <p><b>Bylaws</b></p> <p>(1) <b>A listed issuer must ensure that the bylaws of a share scheme for employees include</b> the provisions set out in Appendix 6F.</p> <p>(2) The listed issuer must <b>submit the final copy of the bylaws of the share scheme</b> to the Exchange <b>together with</b> a letter of compliance pursuant to paragraph 2.11 and a checklist showing compliance with Appendix 6F.</p>   |                     | <p>(a) the scheme, whether of the listed issuer or its subsidiaries, must be approved by the shareholders of the listed issuer in general meeting and the bylaws of the scheme must include the provisions set out in Appendix 6F;</p> <p>(h) the listed issuer must furnish to the Exchange a letter of compliance pursuant to paragraph 2.11 together with the bylaws and a checklist showing compliance with Appendix 6F.</p> |
| 6.30G              | <p><b>Listing application for a share scheme for employees</b></p> <p><b>A listed issuer must ensure that the listing application for a share scheme for employees referred to in paragraph 6.04 is submitted via a merchant bank or a Participating Organisation that may act as a principal adviser under the Commission’s Policies and Guidelines on Issue/Offer of Securities (referred to in this Part as “the listed issuer’s Adviser”).</b></p> |                     | Nil  |
| 6.30H              | <p><b>Implementation</b></p> <p>(1) <b>The effective date for the implementation of the scheme shall be the date of full compliance with all relevant requirements in this Chapter including the following:-</b></p> <p>(a) <b>submission of the final copy of the bylaws of the scheme to the Exchange pursuant to paragraph 6.30F;</b></p>   |                     | Nil  |



| Amended Provisions |  | Existing Provisions |   |
|--------------------|--|---------------------|---|
|                    | <p>(b) receipt of approval-in-principle for the listing of the shares to be issued under the scheme from the Exchange;</p> <p>(c) procurement of shareholders' approval for the scheme;</p> <p>(d) receipt of approval of any other relevant authorities, where applicable; and</p> <p>(e) fulfilment of all conditions attached to the above approvals, if any.</p> <p>(2) The listed issuer's Adviser must submit a confirmation to the Exchange of full compliance pursuant to subparagraph (1) above stating the effective date of implementation together with a certified true copy of the relevant resolution passed by shareholders in general meeting.</p> <p>(3) The submission of the confirmation must be made no later than 5 market days after the effective date of implementation.</p> |                     |   |
| 6.31               | <p><b>Share scheme for employees after listing</b></p> <p>(1) A listed issuer must ensure that all schemes, <b>whether implemented by the listed issuer or its subsidiary</b>, involving the issue of shares to employees comply with the following provisions:-</p> <p>(a) the scheme must be approved by the shareholders of the listed issuer in general meeting;</p> <p>(b) the resolution must approve a specific scheme and refer either to the scheme itself or to a summary of its principal terms included in the circular which must contain all the provisions set out in Appendix 6F;</p>  | 6.31                | <p>Share scheme for employees</p> <p>A listed issuer must ensure that all schemes involving the issue or sale of shares or other securities (including options) to employees comply with the following provisions which shall apply to schemes not only of all listed issuers but also all subsidiaries thereof even if the subsidiary were incorporated and operating abroad:-</p> <p>(a) the scheme, whether of the listed issuer or its subsidiaries, must be approved by the shareholders of the listed issuer in general meeting and the bylaws of the scheme must include the provisions set out in Appendix 6F;</p> <p>(b) the resolution must approve a specific scheme and refer either to</p> |

| Amended Provisions |   | Existing Provisions |  |
|--------------------|---|---------------------|--|
|                    | <p>(c) unless the <b>shares</b> subject to the scheme are identical with other listed <b>shares</b> they must be separately designated;</p> <p>(d) where directors of <b>the</b> listed issuer are trustees of the scheme or have an interest, direct or indirect, in the scheme, the circular must disclose that interest; <b>and</b></p> <p>(e) <b>where the scheme is implemented by a subsidiary, the bylaws of such scheme must include the provisions set out in Appendix 6F.</b></p> |                     | <p>the scheme itself or to a summary of its principal terms included in the circular which must contain all the provisions set out in Appendix 6F. Where directors of a listed issuer are trustees of the scheme or have an interest, direct or indirect, in the scheme the circular must disclose that interest;</p> <p>(c) unless the securities subject to the scheme are identical with other listed securities they must be separately designated;</p> <p><b>Nil.</b></p> |
| Deleted            |   |                     | <p>(d) a scheme may provide for adjustment of the subscription or option price or the number of securities (excluding options already granted) under the scheme, in the event of a rights issue, bonus issue, or other capitalisation issues, consolidation of shares or capital reduction. Such adjustments should give a participant the same proportion of the capital as that to which he was previously entitled;</p>   |
| Deleted            |   |                     | <p>(e) the issue of securities as consideration for an acquisition, pursuant to a special issue or private placement will not be regarded as a circumstance requiring adjustment;</p>  |
| Deleted            |   |                     | <p>(f) adjustments other than on a capitalisation issue must be confirmed in writing by the auditors of the listed issuer to be in their opinion, fair and reasonable;</p>   |
| Deleted            |   |                     | <p>(g) the scheme must provide or the circular must state, that the provision relating to the matters contained in Appendix 6F cannot be altered to the advantage of participants without shareholders' prior approval; and</p>  |

| Amended Provisions |   | Existing Provisions |  |
|--------------------|---|---------------------|--|
|                    | <p>Deleted.</p> <p><b>(2) Sub-paragraph (1) does not apply to:-</b></p> <p>(a) <b>an applicant that is implementing a share scheme for employees as part of its listing proposal; and</b></p> <p>(b) <b>share schemes for employees implemented by subsidiaries of the listed issuer which are listed on the MESDAQ Market or a stock exchange deemed comparable by the Exchange.</b></p>   |                     | <p>(h) the listed issuer must furnish to the Exchange a letter of compliance pursuant to paragraph 2.11 together with the bylaws and a checklist showing compliance with Appendix 6F.</p>  |
| 6.32               | <p>Allotment of <b>shares</b>, despatch of notices of allotment and application for quotation in respect of a share scheme for employees</p> <p>Within 10 market days of the date of receipt of a notice of the exercise of the option together with the requisite payment or such other period as may be prescribed by the Exchange, a listed issuer must:-</p> <p>(a) allot and/or issue <b>shares</b>;</p> <p>(b) despatch a notice of allotment to the employee of the listed issuer; and</p> <p>(c) make an application for the quotation of such <b>shares</b>.</p> | 6.32                | <p>Allotment of securities, despatch of notices of allotment and application for quotation in respect of a share scheme for employees</p> <p>Within 10 market days of the date of receipt of a notice of the exercise of the option together with the requisite payment or such other period as may be prescribed by the Exchange, a listed issuer must:-</p> <p>(a) allot and/or issue securities;</p> <p>(b) despatch a notice of allotment to the employee of the listed issuer; and</p> <p>(d) make an application for the quotation of such securities.</p> |
|                    | <p>Appendix 6A<br/>Part A</p> <p>Contents of a listing application for a new issue of securities</p> <p>(paragraphs 6.04(1)(a), 6.35(a) and 6.39(a))</p>  |                     | <p>Appendix 6A<br/>Part A</p> <p>Contents of a listing application for a new issue of securities</p> <p>(paragraphs 6.04(1)(a), 6.35(a) and 6.39(a))</p>   |

| Amended Provisions  | Existing Provisions  |
|---|--|
| <p>(1) - (6) [No change]</p> <p>(7) <b>In the case of a bonus issue:-</b></p> <p>(a) <b>Details of the reserves to be capitalised for the bonus issue.</b></p> <p>(b) <b>Where the bonus issue is to be made in stages over a period of time, relevant details of the same including:-</b></p> <p>(i) <b>The extended implementation period;</b></p> <p>(ii) <b>The basis of allotment;</b></p> <p>(iii) <b>The tentative books closing dates;</b></p> <p>(iv) <b>The effects of the bonus issue on share capital, net tangible assets, reserves, earnings and dividends;</b></p> <p>(v) <b>A statement that the listed issuer has adequate reserves to cover the entire bonus issue;</b></p> <p>(vi) <b>A statement as to the potential price effects of the staggered implementation; and</b></p> <p>(vii) <b>The rationale/justification for the implementation of the bonus issue on a staggered basis.</b></p> | <p>(1) -(6) í í ..</p> <p>Nil</p>  |
| <p>Appendix 6A</p> <p>Part B</p> <p>Documents to be filed with a listing application for a new issue of securities</p> <p>(paragraphs 6.04(1)(b), 6.35(b), 6.39(b))</p> <p>(1)(a) - (d) [No change]</p> <p><b>(1)(e)In the case of a bonus issue, where applicable:-</b></p> <p>(i) <b>a confirmation from the listed issuer's Adviser that the listed issuer has complied with</b></p>   | <p>Appendix 6A</p> <p>Part B</p> <p>Documents to be filed with a listing application for a new issue of securities</p> <p>(paragraphs 6.04(1)(b), 6.35(b) and 6.39(b))</p> <p>(1)(a)-(d) í í .</p> <p>Nil.</p> |

| Amended Provisions |  | Existing Provisions |   |
|--------------------|--|---------------------|---|
|                    | <p>paragraph 6.26A;</p> <p>(ii) a letter from the Commission confirming that the revaluation is in compliance with the Commission's Guidelines on Asset Valuation; and</p> <p>(iii) a confirmation of the available reserves by the reporting accountants or external auditors as stipulated in sub-paragraph 6.26A(2).</p> <p><b>(1)(f) In the case of a share scheme for employees:-</b></p> <p>(i) A draft copy of the bylaws; and</p> <p>(ii) A confirmation from the listed issuer's Adviser that the listed issuer has complied with the provisions set out in Part H, where applicable.</p> <p><b>(1)(g) A cheque drawn to the order of the Malaysia Securities Exchange Berhad for the processing fee (see the Schedule of Fees for the computation of the amount), where applicable.</b></p> <p><b>(1)(h) One copy of the receipt from the Second Opinion Valuer evidencing full payment of the fees owing in relation to the Second Opinion Valuation, where applicable.</b></p> <p>(2) If any of the above documents are not filed because they are not applicable <b>or available</b> in any case, an applicant must submit a separate exhibit explaining why such documents are not applicable <b>or available</b>.</p> |                     | <p>Nil.</p> <p>Nil</p> <p>Nil</p> <p>(3) If any of the above documents are not filed because they are not applicable in any case, an applicant must submit a separate exhibit explaining why such documents are not applicable.</p> |
|                    | Appendix 6A  |                     | Appendix 6A   |
|                    | Part C   |                     | Part C  |
|                    | Documents to be filed with an application for quotation of a new   |                     | Documents to be filed with an application for quotation of a new  |

| Amended Provisions   |  | Existing Provisions |  |
|--|--|---------------------|--|
| <p>issue of securities<br/>(paragraph 6.04(2))</p> <p>A listed issuer must file the following documents in support of an application for quotation of a new issue of securities</p> <p>(a) - (h) [ No change]</p> <p><b>(i) A confirmation that there are no circumstances or facts which have the effect of preventing or prohibiting the issuance, listing and/or quotation of the securities including any order, injunction or any other directive issued by any court of law; and</b></p> <p><b>(j) In the case of a bonus issue, a certified true copy of the relevant resolution passed by securities holders in general meeting.</b></p> | <p>issue of securities<br/>(paragraph 6.04(2))</p> <p>A listed issuer must file the following documents in support of an application for quotation of a new issue of securities:-</p> <p>(a) - (h) í í</p> <p><b>Nil.</b></p> <p><b>Nil.</b></p>                         |                     |  |
| <p>Appendix 6B</p> <p>Part A</p> <p><b>Contents of announcement in relation to a new issue of securities</b><br/>(paragraphs 6.06, <b>6.26C</b>, 6.36 and 6.40)</p> <p>(1) -(11) [No change]</p> <p><b>(12) In the case of a bonus issue:-</b></p> <p>(a) <b>the details of</b> the reserves to be capitalised for the bonus issue;</p> <p><b>(b) where the bonus issue is to be made in stages over a period</b></p>  | <p>Appendix 6B</p> <p>Part A</p> <p><b>Contents of announcement in relation to a new issue of securities</b><br/>(paragraphs 6.06, 6.36 and 6.40)</p> <p>(1) -(11) í í</p> <p>(12) In the case of a bonus issue, the reserves to be capitalised for the bonus issue;</p> |                     |  |

| Amended Provisions |   | Existing Provisions |  |
|--------------------|---|---------------------|--|
|                    | <p>of time, relevant details of the same including:-</p> <ul style="list-style-type: none"> <li>(i) The extended implementation period;</li> <li>(ii) The tentative books closing dates;</li> <li>(iii) The effects of the bonus issue on reserves;</li> <li>(iv) A statement that the listed issuer has adequate reserves to cover the entire bonus issue;</li> <li>(v) A statement as to the potential price effects of the staggered implementation; and</li> <li>(vi) The rationale/justification for the implementation of the bonus issue on a staggered basis.</li> </ul> <p>(13) [No change]</p>  |                     | <p>(13) í í</p>  |
|                    | <p>Appendix 6C</p> <p>Part A</p> <p>Contents of circular in relation to a new issue of securities</p> <p>(paragraphs 6.07(1) and 6.41(1))</p> <p>(1)-(20) [No change]</p> <p>(21) In the case of a bonus issue:-</p> <ul style="list-style-type: none"> <li>(a) The details of the reserves to be capitalised for the bonus issue;</li> <li>(b) A statement that the available reserves have been confirmed by the external auditors, if applicable;</li> <li>(c) Where the reserves to be capitalised arise from a revaluation of land and buildings, the name of the independent registered valuer, and the date and method of valuation. Incorporate the valuation certificate which shall contain all particulars of and information on the property</li> </ul> |                     | <p>Appendix 6C</p> <p>Part A</p> <p>Contents of circular in relation to a new issue of securities</p> <p>(paragraphs 6.07(1) and 6.41(1))</p> <p>(1)-(20) í í</p> <p>(21) In the case of a bonus issue, the reserves to be capitalised for the bonus issue and the amount standing to the credit of these reserves appearing in the latest audited accounts;</p> |

| Amended Provisions |  | Existing Provisions |   |
|--------------------|--|---------------------|---|
|                    | <p>being valued and regard shall be had to the Commission's Guidelines on Asset Valuation as to the contents of the valuation certificate. Make available for inspection the valuation report and valuation certificate;</p> <p>(d) Where a Second Opinion Valuation has been obtained, the figures for the original valuation and the Second Opinion Valuation;</p> <p>(e) Where the bonus issue is to be made in stages over a period of time, relevant details of the same including:-</p> <ul style="list-style-type: none"> <li>(i) The extended implementation period;</li> <li>(ii) The tentative books closing dates;</li> <li>(iii) The effects of the bonus issue on reserves;</li> <li>(iv) A statement that the listed issuer has adequate reserves to cover the entire bonus issue;</li> <li>(v) A statement drawing securities holders' attention to the staggered implementation of the bonus issue and the potential price effects of the staggered implementation; and</li> <li>(vi) The rationale/justification for the implementation of the bonus issue on a staggered basis.</li> </ul> <p>(22) In the case of a share scheme for employees:-</p> <ul style="list-style-type: none"> <li>(a) the information set out in Appendix 6F; and</li> <li>(b) where applicable, the rationale for extending participation in the share scheme to non-executive directors.</li> </ul> <p>(23)-(27) [No change]</p> |                     | <p>(22) In the case of a share scheme for employees, the information set out in Appendix 6F;</p> <p>(23) - (27) í í</p> |
|                    | <p>Appendix 6F</p> <p>Contents of bylaws of a share scheme for employees (paragraph 6.30F)</p>   |                     | <p>Appendix 6F</p> <p>Contents of bylaws of a share scheme for employees (paragraph 6.31(a) and (b))</p>                |



| Amended Provisions  | Existing Provisions   |
|---|---|
| <p>(1) The persons to whom <b>shares</b> may be issued under the scheme ("participants") and the basis of determining the eligibility of participants.</p> <p>(2) <b>The maximum number of options to be offered under the scheme.</b></p> <p>(3) <b>The maximum entitlement for each class or category of participant (where applicable) and the maximum entitlement for any one participant (where applicable).</b></p> <p>(4) The amount payable on application or acceptance and the basis for determining the subscription or sale, or option price, the period in or after which payments or calls, or loans to provide the same, may be paid or called upon.</p> <p>(5) The time limit for the scheme.</p> <p>(6) The period during which the participants are debarred from disposing the <b>shares</b> so allotted, if applicable.</p> <p>(7) The voting, dividend, transfer and other rights, including those arising on a liquidation of the listed issuer or the subsidiary, as the case may be, attaching to the <b>shares</b>.</p> <p>(8) <b>A provision that the matters relating to items (1) to (7) above cannot be altered to the advantage of participants without shareholders' prior approval.</b></p> | <p>(1) The persons to whom securities may be issued or sold under the scheme ("participants") and the basis of determining the eligibility of participants.</p> <p>(2) The aggregate of the number of options exercised and options offered and to be offered under the present scheme must not exceed 10% of the issued and paid-up capital of the listed issuer at any one time.</p> <p>(3) A fixed maximum entitlement for any one participant.</p> <p>(4) The amount payable on application or acceptance and the basis for determining the subscription or sale, or option price, the period in or after which payments or calls, or loans to provide the same, may be paid or called upon.</p> <p>(5) The time limit for the scheme.</p> <p>(6) The period during which the participants are debarred from disposing the securities so allotted, if applicable.</p> <p>(7) The voting, dividend, transfer and other rights, including those arising on a liquidation of the listed issuer or the subsidiary, as the case may be, attaching to the securities.</p> |

| Amended Provisions |   | Existing Provisions |     |
|--------------------|---|---------------------|-----|
|                    | <b>PART H1 - SHARE SCHEMES FOR EMPLOYEES</b>  |                     |     |
| 8.21A              | <p><b>Allocation under a share scheme for employees</b></p> <p>(1) A listed issuer must disclose to employees the criteria for allocation of options pursuant to a share scheme for employees.</p> <p>(2) A listed issuer must ensure that allocation of options pursuant to a scheme is verified by the audit committee, as being in compliance with the criteria referred to in subparagraph (1) above, at the end of each financial year.</p> <p>(3) A listed issuer must also ensure that a statement by the audit committee verifying such allocation is included in the annual report.</p>  |                     | Nil |
| 8.21B              | <p><b>Termination of a share scheme for employees</b></p> <p>(1) A listed issuer may not terminate a share scheme for employees prior to expiry unless:-</p> <p>(a) The bylaws of the scheme contain a provision empowering the listed issuer to do so;</p> <p>(b) The listed issuer obtains the prior approval of its shareholders; and</p> <p>(c) The listed issuer obtains written consent of all optionholders who have yet to exercise their options, whether partly or wholly.</p> <p>(2) A listed issuer must ensure that the circular sent to shareholders to obtain the approval of the shareholders in respect of the termination of a share scheme for employees</p> |                     | Nil |

| Amended Provisions |  | Existing Provisions |     |
|--------------------|--|---------------------|-----|
|                    | <p>includes the information set out in Appendix 8B.</p> <p>(3) The draft circular must be submitted to the Exchange together with a checklist showing compliance with Appendix 8B.</p> <p>(4) In seeking the consent of the optionholders, the listed issuer must provide them with the information set out in Appendix 8B.</p>  |                     |     |
| 8.21C              | <p><b>Implementation of a new share scheme for employees</b></p> <p>A listed issuer that has implemented a share scheme for employees, must not implement a new scheme unless the existing scheme has expired or been terminated in accordance with paragraph 8.21B.</p>   |                     | Nil |
| 8.21D              | <p><b>Restriction on dealings</b></p> <p>A non-executive director must not sell, transfer or assign shares obtained through the exercise of options offered to him pursuant to a share scheme for employees within 1 year from the date of offer of such options.</p>  |                     | Nil |
|                    | <p><b>Appendix 8B</b></p> <p><b>Contents of circular to shareholders for approval (paragraph 8.21B)</b></p> <p>(1) The rationale for termination of the scheme;</p> <p>(2) A statement by the board of directors stating whether the termination is in the best interests of the listed issuer, and where a director disagrees with such statement, a statement by such director setting out the reasons and</p> |                     | Nil |

| Amended Provisions |   | Existing Provisions |  |
|--------------------|---|---------------------|--|
|                    | <p>factors taken into consideration in forming that opinion; and</p> <p>(3) Any other information that would justify the termination of the scheme.</p> |                     |  |

| Amended Provisions |  |                             | Existing Provisions       |  |    |  |  |    |  |  |  |  |  |
|--------------------|--|-----------------------------|---------------------------|--|----|--|--|----|--|--|--|--|--|
|                    | Appendix 9C  |                             |                           | Appendix 9C                                |    |  |  |    |  |  |  |  |  |
|                    | Part A   |                             |                           | Part A                                     |    |  |  |    |  |  |  |  |  |
|                    | Contents of annual report (paragraph 9.25)   |                             |                           | Contents of annual report (paragraph 9.25) |    |  |  |    |  |  |  |  |  |
|                    | (1) - (24) [No change]   |                             |                           | (1) - (24) í í                             |    |  |  |    |  |  |  |  |  |
|                    | (25) A statement by the audit committee in relation to the allocation of options pursuant to a share scheme for employees as required under paragraph 8.21A.   |                             |                           | Nil  |    |  |  |    |  |  |  |  |  |
|                    | (26) A breakdown of the options offered to and exercised (if any) by non-executive directors pursuant to a share scheme for employees in respect of the financial year in tabular form as follows:-  |                             |                           | Nil  |    |  |  |    |  |  |  |  |  |
|                    | <table border="1"> <thead> <tr> <th>Name of director</th> <th>Amount of options offered</th> <th>Amount of options exercised</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td></td> <td></td> </tr> <tr> <td>2.</td> <td></td> <td></td> </tr> </tbody> </table> | Name of director            | Amount of options offered | Amount of options exercised                | 1. |  |  | 2. |  |  |  |  |  |
| Name of director   | Amount of options offered  | Amount of options exercised |                           |  |    |  |  |    |  |  |  |  |  |
| 1.                 |  |                             |                           |  |    |  |  |    |  |  |  |  |  |
| 2.                 |  |                             |                           |  |    |  |  |    |  |  |  |  |  |

| Amended Provisions   |  | Existing Provisions  |  |
|--|--|--|--|
| 3.   |  |  |  |
| <b>Total</b>   |  |  |  |
| SCHEDULE OF FEES (subject to change from time to time)   |  | SCHEDULE OF FEES (subject to change from time to time)   |  |
| 1-6 [No change]  |  | 1-6  |  |
| 7. Perusal fees  |  | 7. Perusal fees  |  |
| For the perusal of documents, e.g. circulars, notices and reporting thereon, the Exchange will charge fees as determined from time to time.      |  | For the perusal of documents, e.g. circulars, offer documents, notices and reporting thereon, the Exchange will charge fees as determined from time to time. |  |
| <b>8. Processing of listing applications in relation to bonus issues and/or share schemes for employees</b>                                      |  | <b>Nil</b>   |  |
| <b>Processing fee for:-</b>  |  | <b>Nil.</b>  |  |
| <b>(a) Bonus issues:</b><br><b>RM5,000 + 0.005% of the issued and paid-up capital to be listed subject to a maximum amount of RM 300,000</b>     |  |  |  |
| <b>(b) Share scheme for employees:</b><br><b>RM3,000</b>   |  |  |  |
| <b>9. The Commission's Valuation Review Fee</b>  |  | <b>Nil.</b>  |  |
| <b>For the Commission's review of valuation reports pursuant to paragraph 6.26B, the fees, as determined by the Commission, are as follows:-</b> |  |  |  |

| Amended Provisions  | Existing Provisions |
|---|---------------------|
| <p>(a) Where the total market value of the land and buildings is less than RM 1 million:<br/>RM 3,000</p> <p>(b) Where the total market value of the land and buildings is RM 1 million and more:<br/>RM 3,000 + 0.01% of the total market value of the land and buildings subject to a maximum amount of RM 100,000</p> <p>(c) Where the valuation report forms part of a submission to the Commission pursuant to section 32 of the Securities Commission Act, 1993 and is being or has been reviewed by the Commission in connection thereto, the Commission's Valuation Review Fee is not applicable.</p> <p>(d) Where a Second Opinion Valuation is obtained, the Commission's Valuation Review Fee will be based on the lower of the 2 revaluation figures.</p> <p>10. No refund of any fees paid will be allowed except in relation to the Commission's Valuation Review Fee as may be determined by the Commission.</p> | <p>Nil.</p>         |